

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS  
AGREED-UPON PROCEDURES ENGAGEMENT  
OF THE  
FORMER HARRISON COUNTY  
PROPERTY VALUATION ADMINISTRATOR**

**For The Period December 1, 2005  
Through November 30, 2006**



**CRIT LUALLEN  
AUDITOR OF PUBLIC ACCOUNTS  
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**CRIT LUALLEN**  
**AUDITOR OF PUBLIC ACCOUNTS**

Independent Accountant's Report

John R. Farris, Secretary, Finance and Administration Cabinet  
The Honorable Jerry L. Casey  
Former Harrison County Property Valuation Administrator  
The Honorable Carla Harney  
Harrison County Property Valuation Administrator  
Cynthiana, Kentucky 41031

We have performed the procedures enumerated below, which were agreed to by the former Harrison County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period December 1, 2005 through November 30, 2006. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Harrison County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the period ended November 30, 2006 bank reconciliation for all bank accounts, to determine if amounts are accurate.

Finding -

PVA has a receipts ledger and disbursements ledger, and he reconciles bank records to books each month. Auditor chose August 31, 2006 bank reconciliations since November 30, 2006 bank statement was unavailable. Amounts were accurate. The PVA appears to complete bank reconciliations for both of his accounts in a timely manner.



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(Continued)

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

City payments to the PVA were confirmed. The PVA handled the payments appropriately. The list of city receipts was reviewed for completeness.

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

County payments to the PVA were confirmed. Amounts paid by the Fiscal Court agreed to the legally required amounts calculated by the Department of Revenue. Payments were deposited into the PVA's local bank account in a timely manner.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

Disbursements were handled properly. Disbursements amounts agreed to cancelled checks and supporting documentation and were made for official business. PVA does not use a credit card.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

There were no capital outlay disbursements.

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6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

PVA has no vehicle lease agreements, personal service contracts, or professional service contracts.

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

The PVA overspent in account series 100 (\$1), 200 (\$302), and 600 (\$872). We recommend that the PVA watch his budget as line items are overspent and to procure a budget amendment for any account series that is overspent.

*PVA Carla F. Harney's Response - Will revise spreadsheet to track individual line items in each account series. If go over budget will procure a budget amendment.*

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if the PVA was sufficiently collateralized for the year and if a collateral agreement exists.

Finding -

The PVA's bank accounts never reach \$100,000; and therefore, no collateral is necessary.

9. Procedure -

Determine whether timesheets are completed, maintained, and support hours worked.

Finding -

Timesheets are completed, maintained, and support hours worked.

10. Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding -

Cash balances were properly transferred from the former PVA to the new PVA.

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(Continued)

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a long horizontal flourish extending to the right.

Crit Luallen  
Auditor of Public Accounts

Engagement fieldwork completed -  
December 1, 2006

